

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED SEWAGE TREATMENT	)	
ADJUSTMENT FILING OF WARREN	)	CASE NO. 2012-00482
COUNTY WATER DISTRICT	)	

ORDER

On November 1, 2012, Warren County Water District – Sewer Division (“Warren County”) applied for approval to adjust its rates pursuant to the purchased sewer adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Warren County purchases sewage treatment services from Bowling Green Municipal Utilities (“Bowling Green”).
2. On October 30, 2012, Bowling Green notified Warren County that, effective December 1, 2012, Bowling Green’s wholesale sewer rate to Warren County would increase from \$1.2409 per 1,000 gallons to \$3.2473 per 1,000 gallons.<sup>2</sup>
3. Warren County proposes to apply a purchased sewage treatment adjustment factor of \$1.31 per 1,000 gallons to its rates. Due to a rounding error by Warren County, the purchased sewage treatment adjustment factor should be \$1.32.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> Letter from Gary A. Bridges, Chief Financial Officer, Bowling Green Municipal Utilities, to Alan Vilines, General Manger, Warren County Water District (Oct. 30, 2012).

4. On September 25, 2012, Warren County's Board of Commissioners voted to adjust the water district's rates for sewer service, effective December 1, 2012, to reflect Bowling Green's proposed increase in its wholesale rate.

5. During the 12 months ending September 30, 2012, Warren County sold 815,810,000 gallons of water to its sewer customers and Bowling Green treated 533,838,000 gallons of sewage from Warren County.

6. The sewage adjustment factor of \$1.32 per 1,000 gallons of water sold is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for sewage service that Warren County renders on and after December 1, 2012.

IT IS THEREFORE ORDERED that:

1. Warren County's proposed rates are denied.
2. The sewage adjustment factor of \$1.32 per 1,000 gallons of water sold as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for sewage service that Warren County renders on or after December 1, 2012.
4. Within 20 days of the date of this Order, Warren County shall file with the Commission revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED <sup>A</sup>  
NOV 20 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
 COMMISSION IN CASE NO. 2012-00482 DATED NOV 20 2012

	Base Rate	New Rate
Bowling Green		
Gallons Treated	533,838,000	533,838,000
Wholesale Rate	<u>\$1.2409/1,000</u>	<u>\$ 3.2473/1,000</u>
	\$ 662,439.57	\$ 1,733,532.14

Increased treatment cost \$1,071,092.57

Increased treatment cost	\$1,071,092.57
Divided by gallons of water sold/1,000	<u>815,810,000</u>
Purchased water adjustment factor	\$1.31292 per 1,000 gallons or \$1.32 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2012-00482 DATED **NOV 20 2012**

The following rates and charges are prescribed for the customers in the area served by Warren County Water District – Sewer Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rates for all areas outside the City of Smiths Grove

First	2,000 gallons	\$ 11.88	Minimum bill
Next	6,000 gallons	5.14	per 1,000 gallons
Next	12,000 gallons	3.95	per 1,000 gallons
Next	80,000 gallons	3.56	per 1,000 gallons
Over	100,000 gallons	2.94	per 1,000 gallons

Minimum Bills for all Meters

5/8"	First	2,000 gallons	\$ 11.88	Minimum bill
3/4"	First	3,000 gallons	17.02	Minimum bill
1"	First	5,000 gallons	27.30	Minimum bill
1 1/2"	First	10,000 gallons	50.65	Minimum bill
2"	First	16,000 gallons	74.32	Minimum bill
3"	First	30,000 gallons	125.72	Minimum bill
4"	First	50,000 gallons	196.92	Minimum bill
6"	First	100,000 gallons	374.92	Minimum bill

Monthly Rates for inside the City of Smiths Grove

First	2,000 gallons	\$ 18.32	Minimum bill
Next	6,000 gallons	5.31	per 1,000 gallons
Next	12,000 gallons	5.11	per 1,000 gallons
Next	80,000 gallons	4.51	per 1,000 gallons
Over	100,000 gallons	3.71	per 1,000 gallons

Minimum Bills for all Meters

5/8"	First	2,000 gallons	\$ 18.32	Minimum bill
3/4"	First	3,000 gallons	23.63	Minimum bill
1"	First	5,000 gallons	34.25	Minimum bill
1 1/2"	First	10,000 gallons	60.40	Minimum bill
2"	First	16,000 gallons	90.06	Minimum bill
3"	First	30,000 gallons	156.60	Minimum bill
4"	First	50,000 gallons	246.80	Minimum bill
6"	First	100,000 gallons	472.30	Minimum bill

Alan H Vilines  
Engineering Manager  
Warren County Water District  
523 US Highway 31W Bypass  
P. O. Box 10180  
Bowling Green, KY 42102-4780